

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

REQUEST FOR CONFIDENTIAL TREATMENT OF)
INFORMATION FILED WITH BELL SOUTH TELE-)
COMMUNICATIONS, INC.'S PROPOSED CONTRACT) CASE NO. 96-130
ARRANGEMENT WITH US POSTAL SERVICE FOR)
NATIVE MODE LAN INTERCONNECTION SERVICE)

O R D E R

This matter arising upon petition of BellSouth Telecommunications, Inc. ("BellSouth"), filed April 1, 1996, pursuant to 807 KAR 5:001, Section 7, for confidential protection of the cost support data developed in connection with a special service arrangement contract with the US Postal Service for provision of Native Mode LAN Interconnection ("NMLI") Service on the grounds that disclosure of the information is likely to cause BellSouth competitive injury, and it appearing to this Commission as follows:

BellSouth has contracted with the US Postal Service to provide NMLI. This is a tariffed service, but only available in central offices equipped to provide this service. This customer plans to connect four locations with NMLI, but only two of these locations are served by NMLI equipped central offices. This contract covers the cost of serving each of the locations in the service area of the non-equipped office. In support of its application, BellSouth has provided cost data which it seeks to protect as confidential.

The information sought to be protected is not known outside of BellSouth and is not disseminated within BellSouth except to those

employees who have a legitimate business need to know and act upon the information. BellSouth seeks to preserve and protect the confidentiality of the information through all appropriate means, including the maintenance of security at its offices.

KRS 61.872(1) requires information filed with the Commission to be available for public inspection unless specifically exempted by statute. Exemptions from this requirement are provided in KRS 61.878(1). That subsection of the statute exempts several categories of information. One category exempted in paragraph (c)1 of that subsection is commercial information confidentially disclosed to the Commission which if made public would permit an unfair commercial advantage to competitors of the party from whom the information was obtained. To qualify for the exemption, the party claiming confidentiality must demonstrate actual competition and a likelihood of substantial competitive injury if the information is disclosed. Competitive injury occurs when disclosure of the information gives competitors an unfair business advantage.

NMLI is an alternative to dedicated private line networks. BellSouth's competitors for this service are providers of fiber networks. Disclosure of the information sought to be protected would enable such competitors to determine BellSouth's cost and contribution from the service, which they could use to market their competing services to the detriment of BellSouth. Therefore, disclosure of the information is likely to cause BellSouth

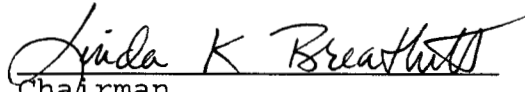
competitive injury, and the information should be protected as confidential.


This Commission being otherwise sufficiently advised,

IT IS ORDERED that the cost support data filed in support of a special service arrangement contract with the US Postal Service for NMLI, which BellSouth has petitioned to be withheld from public disclosure, shall be held and retained by this Commission as confidential and shall not be open for public inspection.

Done at Frankfort, Kentucky, this 7th day of May, 1996.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:


Executive Director